

**Date of Fund Membership:**

March 14, 1946.

**Standard Sources:**

Central Bank of Nicaragua.

**Exchange Rates:**

On February 15, 1988 the new córdoba, equal to 1,000 old córdobas, was introduced. A new currency unit called córdoba oro, equivalent to one U.S. dollar, was introduced as a unit of account on May 1, 1990 and began to be circulated in August 1990. On March 4, 1991, the gold córdoba was devalued to US\$0.2 per gold córdoba, equal to five million old córdobas. On April 30, 1991 the córdoba completely replaced the gold and the old córdoba as the sole legal tender.

**Principal Rate (End of Period and Period Average):**

The córdoba is pegged to the U.S. dollar.

For the purpose of calculating effective exchange rates (*lines nec* and *rec*), a weighted average exchange rate index for U.S. dollars per córdoba is based on trade at the rates applicable for exports and imports.

**Central Bank:**

Consists of the Central Bank of Nicaragua (CBN) only.

Data are based on a standardized report form (SRF) for central banks, which accords with the concepts and definitions of the IMF's *Monetary and Financial Statistics Manual (MFSM)*, 2000. Departures from the *MFSM* methodology are explained below.

Financial instruments that cannot be valued at market prices are valued at acquisition cost-as in the case of CBN securities.

For December 2001 to August 2003, accrued interest is included in *Other Items (Net)* rather than in the outstanding amounts of the financial assets and liabilities. Beginning in September 2003, the open market operations system (OMAS) allows the regular calculation of accrued interest.

**Other Depository Corporations:**

Comprises commercial banks and finance companies. Data exclude credit unions, which accept deposits.

Data are based on a standardized report form (SRF) for other depository corporations, which accords with the concepts and definitions of the *Monetary and Financial Statistics Manual (MFSM)*. For other depository corporations in Nicaragua, departures from the *MFSM* methodology are explained below.

The lack of proper sectorization due to insufficient detail in the source data of other depository corporations, mainly for claims and deposits of the nonfinancial public sector)-i.e., central government, local government, and public nonfinancial corporations-detract from the ability to accurately compile the net credit to central government and the rest of the nonfinancial public sector.

Financial assets and liabilities are valued at market prices, if possible, otherwise, at the acquisition cost.

**Depository Corporations:**

See notes on central bank and other depository corporations.

**Other Financial Corporations:**

Consists of the Financiera Nicaragüense de Inversiones (Nicaraguan Investment Fund) only.

Data are based on a standardized report form (SRF) for other financial corporations, which accords with the concepts and definitions of the *Monetary and Financial Statistics Manual*

(*MFSM*). For other financial corporations in Nicaragua, departures from the *MFSM* methodology are explained below.

The lack of proper sectorization due to insufficient detail in the source data of other financial corporations, mainly for claims and deposits of the nonfinancial public sector)-i.e., central government, local government, and public nonfinancial corporations-detract from the ability to accurately compile the net credit to central government and the rest of the nonfinancial public sector.

Financial assets and liabilities are valued at market prices, if possible, otherwise, at the acquisition cost.

**Monetary Aggregates:****Broad Money:**

*Broad Money* calculated from the liability data in the sections for the central bank and other depository corporations accords with the concepts and definitions of the *MFSM*. Broad money differs from M3A described below as M3A includes deposits of the central government with other depository corporations.

**Money (National Definitions):**

*Base money* comprises notes and coins in circulation and deposits in national currency of other depository corporations with the CBN.

*M1* comprises notes and coins in circulation outside the banking system and demand deposits in national currency of the private sector with other depository corporations.

*M1A* comprises M1 and demand deposits in national currency of the nonfinancial public sector with other depository corporations.

*M2* comprises M1 and savings and time deposits in national currency of the private sector with other depository corporations.

*M2A* comprises M2 and savings and time deposits in national currency of the nonfinancial public sector with other depository corporations.

*M3* comprises M2 and foreign currency deposits of the private sector with other depository corporations.

*M3A* comprises M3 and foreign currency deposits of the nonfinancial public sector with other depository corporations.

**Interest Rates:****Discount Rate (End of Period):**

Rediscount rate charged by the CBN on short-term loans to commercial banks.

**Savings Rate:**

Rate offered by commercial banks on savings deposits in national currency. † Beginning in January 1999, weighted average rate offered by commercial banks on savings deposits in national currency. The rate is weighted by deposit amounts.

**Savings Rate (Foreign Currency):**

Rate offered by commercial banks on savings deposits in foreign currency. † Beginning in January 1999, weighted average rate offered by commercial banks on savings deposits in foreign currency. The rate is weighted by deposit amounts.

**Deposit Rate:**

Average rate offered by commercial banks on one-month deposits in national currency. † Beginning in January 1999, weighted average rate offered by commercial banks on one-month deposits in national currency. The rate is weighted by deposit amounts.

**Deposit Rate (Foreign currency):**

Average rate offered by commercial banks on one-month deposits in foreign currency. † Beginning in January 1999, weighted average rate offered by commercial banks on one-month deposits in foreign currency. The rate is weighted by deposit amounts.

**Lending Rate:**

Average rate charged by commercial banks on loans of up to 18 months in national currency. † Beginning in January 1999,

weighted average rate charged by commercial banks on loans of up to 18 months in national currency. The rate is weighted by loan amounts.

**Lending Rate (Foreign Currency):**

Average rate charged by commercial banks on loans of up to 18 months in foreign currency. † Beginning in January 1999, weighted average rate charged by commercial banks on loans of up to 18 months in foreign currency. The rate is weighted by loan amounts.